

S/015/041

Mr. Niel Simmons
Moab District, San Rafael Resource Area
900 North 700 East
P. O. Bx AB
Price, Utah 84501

21 October 1991

RECEIVED

OCT 22 1991

DIVISION OF
OIL GAS & MINING

SUBJECT: Notice of Termination and Resolution of the 1990 Mining Agreement with Lanny L. Jensen on the B & J Unpatented Placer Mining claims UMC# 212727 and # 212729 on the San Rafael Swell in SW/4 section 29, T. 22 S., R. 9 E. Emery County.

John E. Welsh and Lanny L. Jensen signed a notarized statement completely disassociating all business relationships under Emery County Document #327462.

As you are aware Mr. Jensen left the quarry area without doing any cleanup or reclamation. Mr. Jensen stated repeatedly to me during September including an onsite (16th) inspection that he would complete his operations in a orderly fashion. Mr. Jensen not only failed to comply with the recorded Agreement with Welsh, with his stated word, but he also removed and stashed gypsum rock from Welsh's property and stockpiled within the Georgia Pacific quarry so that he could continue to transport after the BLM and Welsh September 30th deadline for his termination of activities.

Because of the character of Mr. Jensen is is not worth the effort to attempt to press him for cleanup and reclamation on the five disturbed acres on the B&J -2 claim, UMC 212727. The easily remove trash was removed on October 19th, and the metal track and loader tire will require equipment before there removal. This will be accomplished as soon as possible.

The two explosive magazines supposedly belong to a company in Moab, Utah. If these are not off the property by October 30th, then I will place a claim upon them as abandoned property.

I will personally accept responsibility for the continued cleanup and the reclamation.

I expect to have arrangements in the near future for continuing quarrying activities. No activities except cleanup will be undertaken until your management has approved an **Amended Plan of Operations**, a **\$10,000 bond has been posted with the BLM**, **Emery County has permitted the use of the Moore road**, and a new Agreement has been signed between me and an operator.

✓ cc. Ut O, G & M
Holland Shepherd

Sincerely,

John E. Welsh

NOTICE OF TERMINATION OF THE 1990 MINING AGREEMENT
CONCERNING ALL B & J UNPATENTED MINING CLAIMS AND
Specifically BJ-2 UMC # 212727 and BJ-5 UMC # 212729
SAN RAFAEL RESOURCE AREA, EMERY COUNTY, UTAH

IN WITNESS WHEREOF, the parties have executed this termination of
Mining Agreement Doc. # 327462 the day and year written below.

OPERATOR:

BY

Lanny L. Jensen
Lanny L. Jensen
Tax ID 529-80-8074

BY

Marilyn Jensen
Marilyn Jensen
Spouse of Lanny L. Jensen

OWNER:

BY

John E. Welsh
John E. Welsh
Tax ID 242-36-7614

BY

Janet R. Welsh
Janet R. Welsh
Spouse of John E. Welsh

STATE OF UTAH)

County of Sevier)

On this 8th day of October, 1991 before me appeared
Lanny L. Jensen, Mining Contractor, who executed the within and foregoing
instrument for uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
official seal the day and year first above written.

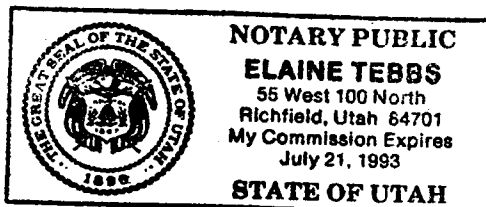
Leel. Sheeman
Notary Public

STATE OF UTAH)

County of Sevier)

On this day 8th of October, 1991 before me appeared
John E. Welsh, Owner of the Shivwits claims, who executed the within and
foregoing instrument for uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my
official seal the day and year first above written.



Elaine Tebbs
Notary Public